

DEALING WITH THE IMPENDING RETIREMENT CRISIS, PART 3 – DEVELOPING THE NEXT GENERATION OF LEADERS

In my last two columns, I offered some ideas on how to meet the challenge of the imminent retirement boom facing all levels of government. I focused on the scope and extent of the looming talent shortage and highlighted how some public agencies are proactively developing their workforces of the future now.

I described some approaches detailed in the report *The Aging-and-Retiring Government Workforce: How Serious Is the Challenge? What Are Jurisdictions Doing About It?* This research study was sponsored by my organization, CPS Human Resource Services, an independent and self-supporting public agency. This study, conducted by CPS researcher Dr. Mary B. Young, was done in cooperation with the Council of State Governments, the International Public Management Association for Human Resources (IPMA-HR), the National Association of State Personnel Executives (NASPE) and others.

In this study, we reported that many organizations are focusing on the immediate challenge – replacing their current group of senior leaders. The most strategic agencies, however, are heavily engaged in workforce planning, aggressively digging deeper into their organizations, rooting out vulnerabilities and trouble spots, and dealing with them.

As a follow up to the “Aging” study, CPS is completing research on a key aspect of the workforce challenge – leadership development. This study, again conducted by Dr. Young, is in cooperation with the International City/County Management Association, NASPE and IPMA-HR. Our report will be issued in June; here’s a preview.

The research question was, “What are jurisdictions at the local, state and federal level doing to build their leadership pipelines to ensure a supply of experienced talent for the future?” To answer this question, we reviewed the literature, and talked with knowledgeable academics and practitioners. We then interviewed officials in 35 public agencies that seemed to have interesting programs. We narrowed this group down to 15 federal, state and local agencies successfully using a variety of approaches to ensure they have the leaders they need, now and in the future.

The good news is that there are public sector organizations proactively addressing the challenge of building the leadership pipeline today, to prepare for the future. We found two overall approaches to building this leadership pipeline. We describe them as the “just-in-time” (JIT) approach, and the “integrated” approach.

Just-in-time agencies rely on a specific set of human resource practices to manage their overall talent supply and grow leaders. Often these practices are built around a formal leadership development program -- either internal or outsourced -- that may include coaching or mentoring new leaders. There may also be a succession plan and a competency model.

These are good things. But, the just-in-time approach is a little like an inoculation you get if you're traveling abroad, just before you leave for the trip. The JIT model usually focuses on a relatively small segment of the workforce, such as middle managers who are likely to be promoted to senior management, or brand new senior managers.

While this approach can effectively develop leaders, it may not be aligned with other human resources practices. The result of this disconnect is a leadership pipeline with limited talent flowing through the pipe.

Of course, there are practical reasons for the just-in-time approach. First, training dollars are limited, so money has to be invested carefully in a targeted group. Also, leaders have traditionally had the time to develop their successors and coach new leaders. In theory, the best talent rose to the top -- eventually.

Now, however, the landscape is changing as retirements accelerate and large numbers of senior leaders begin to retire. The result? Fewer old hands will be around to impart their knowledge and experience, and new leaders will need to grow up faster.

In addition, downsizing, layoffs and contracting out have thinned the ranks of middle management talent. Plus, spans of control have increased, leaving less time for mentoring, coaching and other informal approaches. Last, but not least, today's (and tomorrow's) leaders need to master new competencies.

As a result, many jurisdictions are finding that the just-in-time approach is not getting the job done. They need to build bigger pipelines, accelerate development, and go beyond traditional programs.

That's where the second model – the “Integrated Leadership Pipeline” comes in. A key difference in this model is that all HR practices help build the leadership pipeline. Rather than a short-term, narrow pipeline with limited volume, this integrated approach:

- Develops leaders over longer time periods, even starting with when they're hired as entry-level employees.
- Allows more people to develop leadership skills.
- Integrates the organization's full range of HR practices, unlike the more limited JIT approach.

How are these HR practices integrated? In large part, the HR practices are built around the organization's strategic plan, and are linked to frameworks such as workforce planning and a leadership competency model. Together, these practices support and strengthen the employee pipeline.

This integrated strategy starts with workforce planning and covers the full range of HR activities. These activities include recruiting and onboarding (for both entry- and mid-level employees), coaching and mentoring, succession planning, internships and fellowships, formal leadership development programs, developmental assignments and

job rotation, performance management, retention strategies like quality of work life initiatives and work/life programs, career planning and management, training, applied learning or action learning projects, compensation and benefits.

The ideal result, as illustrated in the case studies in our upcoming report, is an integrated set of HR practices that work together to move talented people through the leadership pipeline.

Some other overall conclusions and observations from our research:

- There is no “one size fits all” approach to feeding the leadership pipeline. In some cases, elegant and higher-cost approaches make sense. On the other hand, smaller jurisdictions need to design systems that fit their cultures, their strategies, their political contexts, and their budgets.
- Leadership development is done with, not to, people. Feeding the leadership pipeline is a cooperative and interactive process that depends on commitment and follow through – by the organization and the developing leaders.
- Leadership development isn’t a single, isolated process. We can’t expect to develop a fully-mature leader through a training course, no matter how good that training is. We can’t inoculate a person with the leadership serum. Instead, when done right, leadership development is an integrated and continuous set of processes that cover the entire employee “lifecycle.”
- Therefore, leadership development needs to start early – as early as when we hire new employees.
- Building the leadership pipeline takes place every day, not just during annual performance feedback sessions, with an isolated training program, or when a key employee announces his or her retirement.
- Our research identified many exciting approaches, including using technology to help provide development and feedback, and offering “action learning” opportunities that force emerging leaders to integrate theory with practice to solve real problems, not just textbook case studies.
- But, we get what we pay for. There isn’t a “magic, low-cost bullet” that will create leaders. Results require investments, and leadership development is no exception. The corollary to this is to show results that demonstrate -- to elected leaders and taxpayers -- that investing in the leadership pipeline pay dividends. While the measurable results of leadership development programs continue to be difficult to document, we found encouraging signs that public agencies are beginning to demonstrate and document measurable results. This is a critical step to build credibility and sustainability for leadership development programs.

Please contact the author for a copy of *The Aging-and-Retiring Government Workforce: How Serious Is the Challenge? What Are Jurisdictions Doing About It?* or to receive a copy of the forthcoming leadership development report.